

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 3128 - SB 3305

February 16, 2010

SUMMARY OF BILL: Extends from the first of March to the fifteenth of April the deadline for businesses to file a tangible personal property schedule.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Less than \$5,000/One-Time

Increase Local Expenditures – \$75,000/Recurring*

Assumptions:

- The Division of Property Assessments will incur a one-time cost of less than \$5,000 to change its tangible personal property schedules to the April 15th deadline.
- Shelby County would be required to send out assessment changes by April 20 because the City of Memphis has an early collection period. According to the Comptroller of the Treasury, in Shelby County at least 24,000 schedules are filed during the last week. At least 24,000 schedules will be filed one week prior to the Shelby County deadline.
- Approximately 12,000 property schedules will require assessment change notices that must be sent out by Shelby County within one week. A total of 2,400 (12,000 / 5) notices per day (300 per hour) will be sent. Shelby County will require additional temporary staff each year to accommodate the increased workload. One person can reasonably complete two revisions per hour resulting in a need for 150 temporary workers at \$500 per week for one week resulting in a recurring increase in expenditures to Shelby County of \$75,000 (\$500 x 150).

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

/agl

HB 3128 - SB 3305